

Post a Lookout:

Vehicle Cloning Prevention Tips

You can keep a look out for look-alike cloned vehicles when shopping for a used car or truck. Along with its more than 1,000 insurance company and self-insured members, the National Insurance Crime Bureau, a not-for-profit organization that creates insurance fraud and theft solutions through information analysis, criminal investigation support, training and public awareness, offers these tips to help you avoid becoming a vehicle cloning crime victim.

- Check the vehicle's VIN with appropriate government agencies and your state bureau of motor vehicles.
- Analyze the ownership pattern for any new or late model vehicle with no lien holder.
- Have a private company conduct a vehicle history search.
- Trust your instincts: If a used vehicle deal sounds too good to be true, walk away.



For More Information

You can learn more about vehicle cloning, and how you can protect yourself from these and other crimes, on the NICB's web site:
www.nicb.org.

Call the NICB's toll-free hotline if you suspect insurance fraud or vehicle theft:

1.800.TEL.NICB
(1.800.835.6422)

Your call is free.
Your call can be anonymous.
You could be eligible for a reward.



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Vehicle Cloning

Look Twice!
Does *your* vehicle
have a twin?

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Doing a Double Take

Cloning is a popular topic these days...and not just in the scientific community. Vehicle cloning is a growing crime affecting consumers who purchase used vehicles. What unsuspecting buyers believe is a legitimate used car or truck could actually be a stolen vehicle.

Cloning is a crime in which stolen vehicles assume the identity of non-stolen, legally owned, vehicles that are a similar make and model. By applying counterfeit labels, plates, stickers and titles to stolen vehicles, criminals can make them appear as if they are legitimate, legally owned cars and trucks. These criminals — many of whom participate in organized crime rings specializing in vehicle cloning schemes — then sell the stolen vehicles to unsuspecting consumers.

The result is that you have two or more vehicles that look exactly alike...at least by their identification documents and vehicle tags. The reality is that only one of them is a legitimate, legally owned vehicle. The rest are stolen and have been disguised to look like the legitimate one.

While scientists and politicians debate futuristic genetic cloning, insurance companies, law enforcement agencies and investigators from the National Insurance Crime Bureau (NICB) battle real-life vehicle cloning crimes on the streets today. There's no debate here: Vehicle cloning is a highly lucrative crime. Estimated U.S. vehicle cloning profits exceed \$12 million annually, with criminals netting an average of \$30,000 per cloned vehicle.



Easy and Inexpensive... No Wonder Cloning is a Growing Problem

Vehicle cloning is a relatively easy and inexpensive crime to commit. For less than \$2,000, cloning criminals can use a computer, color printer, typewriter, barcode label printer, rotary tool and engraving pen to counterfeit a vehicle's identification numbers, stickers, labels and titles.

Here's how a simple cloning scheme works. An individual will copy a vehicle identification number (VIN) from a legally owned and documented vehicle sitting in a parking lot or car dealership, oftentimes high-value sport utility vehicles and luxury cars. The legitimate VIN is then used to create a counterfeit VIN tag, frequently multiple times. From there, thieves steal a similar vehicle as the legally owned one from the parking lot, and replace the stolen vehicle's VIN tag with the counterfeit one containing the non-stolen vehicle's identification numbers. Bearing a counterfeit tag, the stolen vehicle is now a "clone" of the legitimate one and can be titled without detection by government agencies. To the government, the stolen vehicle looks just like the one from the parking lot...on paper that is.

To complete this scam, criminals create counterfeit ownership documents for the cloned vehicle or obtain the ownership documentation under false pretenses, such as identity theft. They use this phony documentation to sell the stolen vehicle to an innocent purchaser, frequently at fair- or below-market value. Sophisticated cloning operations can produce vehicle clones that are virtually undetectable by consumers, and are oftentimes only discovered through physical inspections by experienced auto theft investigators.

Tools of the Cloning Trade

Vehicle cloning schemes are limited only by the audacity and complicity of individuals involved in these crimes. They use a variety of tools to ply their criminal trade.

Fraudulent/Counterfeit Documents - Cloning operations typically alter, produce, sell and possess illegal documents, such as vehicle identification stickers, bar codes, titles, registrations, licenses and insurance cards.

Altered Vehicle Identification Numbers - Cloning rings intentionally alter or duplicate a legitimately registered VIN and use that VIN on counterfeit ownership and registration documents, as well as the cloned vehicle.

Title Washing - Title washing involves transferring a vehicle title among states to remove title brands and change an odometer reading. Criminals will transfer the title among several states to disguise the vehicle's history and confuse the ownership trail. They use the final clean title to sell the vehicle to an unsuspecting customer.

Identity Theft - Cloning rings frequently steal personal identification documents, such as driver's licenses, social security numbers and credit card numbers, to obtain apparent legal ownership of a vehicle that is subsequently cloned, resold, stripped for parts or illegally exported.

The Internet - Criminals increasingly use the Internet to scam vehicle buyers, counterfeit identification documents and steal identities. Organized criminal rings use Internet auction sites to illegally sell stolen cloned vehicles, identification tags, license plates and other parts.